



HM Revenue
& Customs

News Release

For the attention of **Newsdesks & personal finance correspondents** No of pages: 3

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Families urged to boost their back-to-school budget with Tax-Free Childcare

With the new school term starting, HM Revenue and Customs (HMRC) is reminding families to open a Tax-Free Childcare account today to save up to £2,000 per child on their yearly childcare bills.

Families can use their Tax-Free Childcare account to pay for any approved childcare including holiday clubs, breakfast and after school clubs, child minders and nurseries.

The scheme provides working families, with children up to the age of 11, or 16 if their child has a disability, up to £2,000 a year per child or £4,000 a year if their child is disabled. For every £8 paid into a Tax-Free Childcare account, families automatically receive the UK Government top up of £2. Families can save up to £500 every 3 months for each child or £1,000 if their child is disabled.

Myrtle Lloyd, HMRC's Director General for Customer Services, said:

“Starting back to school and arranging childcare for the term ahead can be costly for working families. Tax-Free Childcare offers financial help so families can save on the cost of childcare. Search Tax-Free Childcare on GOV.UK and sign up online today.”

Opening a Tax-Free Childcare account online is straightforward and can be done in about 20 minutes. Money can be deposited at any time, 365 days a year, to be used straight away or left in the account and used whenever it is needed. Unused money in the account can be withdrawn at any time.

Go to [GOV.UK to register](#) and start saving today.

The UK Government is offering [help for households](#). Check GOV.UK to find out what cost of living support is available, including help with [childcare costs](#).

Notes to Editors

1. Parents and carers could be eligible for Tax-Free Childcare if they:
 - have a child or children aged up to 11. They stop being eligible on 1 September after their 11th birthday. If their child is disabled, they may get up to £4,000 a year until 1 September after their 16th birthday
 - earn, or expect to earn, at least the National Minimum Wage or Living Wage for 16 hours a week, on average
 - each earn no more than £100,000 per annum
 - do not receive tax credits, Universal Credit or childcare vouchers
2. HMRC has produced a [Tax-Free Childcare guide](#) for parents, which explains the reasons and benefits for signing up to the scheme.
3. Each eligible child requires their own Tax-Free Childcare account. If families have more than one eligible child, they will need to register an account for each child. The UK Government top-up is then applied to deposits made for each child, not household.
4. Account holders must confirm their details are up to date every 3 months to continue receiving the government top-up.
5. Childcare providers can also sign up for a [childcare provider account via GOV.UK](#) to receive payments from parents and carers via the scheme.
6. Follow HMRC's Press Office on Twitter [@HMRCpressoffice](#)

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